Message Text

LIMITED OFFICIAL USE

PAGE 01 LONDON 04001 091952Z ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 SSO-00 NSCE-00 SS-15 NSC-05 CAB-02 CIAE-00 COME-00 DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 L-03 SP-02 INRE-00 /055 W -------092004Z 090969 /43

O 091826Z MAR 77 FM AMEMBASSY LONDON TO SECSTATE WASHDC IMMEDIATE 1439

LIMITED OFFICIAL USE LONDON 04001

FOR COOPER (E) AND KATZ (EB) PASS TO DOT (ADAMS AND DAVENPORT), CAB (ROBSON), WHITE HOUSE (JOHNSTON) AND COMMERCE (TOLO).

E.O. 11652: N/A
TAGS: EAIR, UK
SUBJECT: US-UK CIVAIR NEGOTIATIONS: USDEL REPORT ON
MEETINGS, MARCH 9

- 1. SHOVELTON CALLED PLENARY FOR AFTERNOON TO REVIEW JOINTLY STATUS OF VARIOUS ITEMS IN RENEGOTIATION, IN PREPARATION FOR HIS REPORT TO SECSTATE FOR TRADE DELL ON EVE OF CALLAGHAN MEETINGS IN WASHINGTON.
- 2. CAPACITY. SHOVELTON SUMMARIZED "MAJOR DIFFERENCES OF PHILOSOPHY BETWEEN US AND UK DRAFTS ON CAPACITY". CERTAIN DIFFERENCES ARE "TOTALLY UNRESOLVED". THESE ARE US REFUSAL (1) TO ALLOW FOR INTERCARRIER CONFERENCE TO ESTIMATE TRAFFIC DEMAND IN PARTICULAR MARKETS, LET ALONE TO AGREE ON SCHEDULES AND RATIONALIZATION OF CAPACITY, (2) TO ACCEPT FALLBACK LEVELS (SPECIFIED IN BILATERAL) FOR CAPACITY TO BE OPERATED IN CASE NO AGREEMENT ON CAPACITY PROPOSALS, AND (3) (OF LESS IMPORTANCE) TO AGREE ON LOAD FACTOR STANDARDS IN EACH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LONDON 04001 091952Z

MARKET IN ADVANCE OF EACH SEASON. SHOVELTON SAID "VERY MUCH REGRET THAT THERE IS NO ACCEPTANCE ON US SIDE" OF VALUE OF PRIOR CARRIER AGREEMENT ON TRAFFIC ESTIMATES. AS REPORTED LONDON 3846, AND LONDON 3918, UKDEL HAS NOT MOVED FROM ITS BASIC OPENING POSITION OF PREDETERMINATION OF CAPACITY. USDEL FIRMLY OF VIEW UK POSITION IS TOTALLY UNACCEPTABLE, MUST MAINTAIN US POSITION IN

LONDON 3783.

- 3. ROUTES. SHOVELTON ASKED "DO I REPORT US REFUSES TO REPLY TO UK ROUTE SCHEDULE PROPOSAL?" BOYD, "YES, UNTIL PROGRESS MADE ON CAPACITY PHILOSOPHY."
- 4. WEST COAST CAPACITY. SHOVELTON SAID US AIRLINES ATTEMPTING PRE-EMPT SAN FRANCISCO MARKET. (PANAM, TWA NOW SERVE SF-LONDON ONE-STOP, PLAN TO UPGRADE TO NONSTOP END APRIL.) UKDEL OBJECTS TO WHAT IT SEES AS UNWARRANTED 60 PERCENT CAPACITY INCREASE; THREATENS "SOMETHING WOULD HAVE TO HAPPEN TO DUAL PANAM, TWA SERVICE ON 23 JUNE, IF NO AGREEMENT". SHOVELTON WILL REPORT THIS TO DELL AS "PROBLEM AREA". MORE DISCUSSION LONDON 3838.
- 5. CHARTERS. HOPED FOR PROGRESS ON CHARTER UNDER-STANDING FOR 1977 FADED WHEN UK TODAY REJECTED US PROPOSAL FOR OPERATION OF NEW ADVANCE BOOKING CHARTERS ESSENTIALLY UNDER US RULES ALONE WITH FAIL-SAFE CONTROLS TO INSURE THAT DIVERSION IF ANY FROM SCHEDULED SERVICES BY ABC CHARTER SUBSTITUTE CHARTER PASSENGERS DURING FINAL TWO WEEKS BEFORE EACH FLIGHT WOULD BE DE MINIMUS, SPECIFICALLY LESS THAN ONE HALF OF ONE PERCENT OF SCHEDULED TRAFFIC. UKDEL INSISTED THAT IN ORDER TO GAIN NECESSARY ECAC ACCEPTANCE OF ANY ABC COMPROMISE IT WOULD HAVE TO BE MORE RESTRICTIVE THAN DELEGATIONS WERE CONSIDERING SUBMITTING FOR RESPECTIVE CLEARANCES AFTER DECEMBER TALKS, I.E. EITHER LESS SUBSTITUTION OR LONGER LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LONDON 04001 091952Z

TRIP DURATIONS OR BOTH. US POSITION CALLS FOR LESS RESTRICTIVE OUTCOME.

6. OTHER ISSUES. STATUS REPORTS PROVIDED BY WORKING GROUPS ON RATES AND NON-CONTROVERSIAL ARTICLES. PROGRESS IS SATISFACTORY. SHIFT OF SOME SERVICES TO GATWICK RAISED BY SHOVELTON, BUT NO SUBSTANTIVE DISCUSSION.

MILLER

LIMITED OFFICIAL USE

NNN

Margaret P. Grafeld	Declassified/Released	US Department of State	EO Systematic Review	22 May 2009

Message Attributes

Automatic Decaptioning: X

Capture Date: 01-Jan-1994 12:00:00 am Channel Indicators: n/a **Current Classification: UNCLASSIFIED**

Concepts: NEGOTIATIONS, AVIATION AGREEMENTS, MEETING REPORTS

Control Number: n/a

Copy: SINGLE Sent Date: 09-Mar-1977 12:00:00 am Decaption Date: 01-Jan-1960 12:00:00 am

Decaption Note:

Disposition Action: RELEASED Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW

Disposition Date: 22 May 2009 Disposition Event:

Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON04001
Document Source: CORE

Document Unique ID: 00 Drafter: n/a

Enclosure: n/a Executive Order: N/A Errors: N/A

Expiration:

Film Number: D770081-0646

Format: TEL From: LONDON

Handling Restrictions: n/a

Image Path:

ISecure: 1

Legacy Key: link1977/newtext/t19770378/aaaacqup.tel

Line Count: 107 Litigation Code IDs: Litigation Codes:

Litigation History: Locator: TEXT ON-LINE, ON MICROFILM Message ID: 475f5ebb-c288-dd11-92da-001cc4696bcc Office: ACTION EB

Original Classification: LIMITED OFFICIAL USE Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 2
Previous Channel Indicators: n/a

Previous Classification: LIMITED OFFICIAL USE Previous Handling Restrictions: n/a

Reference: n/a Retention: 0

Review Action: RELEASED, APPROVED Review Content Flags: Review Date: 11-Mar-2005 12:00:00 am

Review Event:

Review Exemptions: n/a **Review Media Identifier:** Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

SAS ID: 3163429 Secure: OPEN Status: NATIVE

Subject: US-UK CIVAIR NEGOTIATIONS: USDEL REPORT ON MEETINGS, MARCH 9

TAGS: EAIR, UK, US

To: STATE Type: TE

vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/475f5ebb-c288-dd11-92da-001cc4696bcc

Review Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009